**Statement of material fact**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

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| 1. General data | |
| 1.1 Full name of the issuer | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Abbreviated name of the issuer | “Kubanenergo” PJSC |
| 1.3. Location of the issuer | Krasnodar, Russian Federation |
| 1.4. PSRN of the issuer | 1022301427268 |
| 1.5. TIN of the issuer | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page for disclosure of information | [www.kubanenergo.ru](http://www.kubanenergo.ru)  <http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content | |
| **2.1 Quorum of meeting of the issuer’s BoD and the results of voting on the proposed decisions:**  Number of the BoD members: 11 members  Members participated in the meeting: 10 members  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “Approval of scenario conditions for preparation of business plan of Kubanenergo PJSC for 2018-2022”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  To approve the scenario conditions for preparation of business plan of Kubanenergo PJSC for 2018-2022, in accordance with Appendix No.1 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No. 2 “Approval of the results of implementation of key performance indicators of the general director of Kubanenergo PJSC in the 1st quarter of 2017”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  To postpone the discussion to a later date. | |
| **Disclosure of insider information**  **Item No.3 “Payment of special bonus to general director of Kubanenergo PJSC based on the results of 2016”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  To postpone the discussion to a later date. | |
| **Disclosure of insider information**  **Item No. 4 “Setting the amount of payment for services of the Company’s auditor”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  To decide to pay the Company’s auditor “RSM Rus” LLC 1 614 104.40 (one million six hundred fourteen thousand one hundred four) rubles 40 kopecks, including VAT 18% - 246 219.32 (two hundred forty six thousand two hundred nineteen) rubles 32 kopecks for the audit of the accounting (financial) statements under RAS (Russian Accounting Standards) and the audit of the consolidated financial statements of the Company in accordance with IFRS (International Financial Reporting Standards) in 2017. | |
| **Disclosure of insider information**  **Item No. 5 “Discussion of a report of general director on insurance coverage in the 2nd quarter of 2017”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  To take into consideration thereport of general director on insurance coverage in the 2nd quarter of 2017, in accordance with Appendix No.2 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No. 6 “Implementation of resolutions of the Board of Directors taken on 25.07.2017 on agenda item #2 paragraph 3 (minutes of meeting 282/2017 dd 28.07.2017)”** | |
| 2.2.6. Decision adopted by issuer’s Board of Directors:  To take into consideration the report on the reasons of failure to reach the parameters planned by the investment programme of the Company for the 1st quarter of 2017 (specified in paragraph 2 of the resolution of the BoD on item #2 from 25.07.2017 (minutes No.282/2017 dd 28.07.2017), in accordance with Appendix No.3 to this decision of the Board of Directors of the Company. | |
| **Disclosure of insider information**  **Item No. 7 “Approval of candidatures for particular positions at the executive office of the Company that are determined by the Company’s Board of Directors”** | |
| 2.2.7. Decision adopted by issuer’s Board of Directors:  1. To agree on the candidacy of Glushko Timur Igorevich for the post of Deputy General Director for Special Projects –Director of the branch of Kubanenergo PJSC Slavyanskiye electrical networks.  2. To agree on the candidacy of Dmitry Yuryevich Ryazantsev for the post of Deputy General Director of Kubanenergo PJSC.  3. To agree on the candidacy of Statuev Vladislav Andreevich for the post of Deputy General Director for Security, Kubanenergo PJSC. | |
| **Disclosure of insider information**  **Item No. 8 “Preliminary approval of a decision on charity activity of Kubanenergo PJSC in 2017”** | |
| 2.2.8. Decision adopted by issuer’s Board of Directors:  To approve charity programme of Kubanenergo PJSC for 2017, in accordance with Appendix No.4 to this decision of the Board of Directors of the Company. | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **30 August 2017**  2.4. Date of making and number of minutes of meeting which adopted the resolutions: **31 August 2017 minutes of meeting No.286/2017.** | |

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| 3. Signature | | |
| 3.1 Deputy Director General in charge of Corporate Governance (by power of attorney No.2-1879 dated 15.12.2016) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Ivanova I.V. |
| 3.2 Date: 31 August 2017 | stamp |  |